

**Commonwealth of Massachusetts  
Department of Telecommunications and Energy  
Fitchburg Gas and Electric Light Company  
Docket No. D.T.E. 02-24  
Responses to the Attorney General's First Set of Information Requests**

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**Request No.: AG-1-72**

Please provide a detailed description of the Company's method of accounting for unbilled revenues. Please also provide a complete and detailed description of the formula used to determine the amount of year end unbilled revenue.

**Response:**

Due to the nature of the billing cycle process, each month the Company calculates unbilled revenues for the current month. The calculation is  $\frac{1}{2}$  of the following month's forecasted sales (assuming  $\frac{1}{2}$  of sales represent energy consumed within the current month) that are unbilled at month end. This calculation is then adjusted for large customer accounts billed at month-end and for weather. Accrued revenue is debited on the balance sheet and other revenue is credited on the Income Statement.

**Person Responsible:** Mark H. Collin